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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

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Albuquerque Compared to Other Western Metro Areas

This article compares Albuquerque and nine "competitive" western metropolitan areas. Population and employment trends are discussed for each area. The second part of the article suggests some factors which might explain the discrepancy in growth among these communities.

Table 1 on page 8 lists the ten comparison urban areas and provides associated population data. The metropolitan areas range in size from 349,100 in Colorado Springs to 1,219,600 in Sacramento, California. As for population growth, Las Vegas experienced the most rapid growth in the 1960's and 1970's while Austin, Texas has grown the most rapidly in the early 1980's. In the 1980's, all these areas have grown faster than the U.S. metropolitan annual average population growth of 1.1 percent.

Employment growth for these communities in the 1977-84 period is also encapsuled in Table 1. Austin far exceeded all the other comparison communities in job creation while Tulsa and El Paso experienced the least overall growth. It is worth noting that all the communities exceeded the U.S. average growth rate of 2.4 percent. As for manufacturing employment, three urban areas, Colorado Springs, Tucson and Austin, sustained double-digit average annual growth in this period. Tulsa, which has the greatest employment in manufacturing, experienced virtually no growth in industrial employment. The U.S. manufacturing growth rate, -0.2 percent, was surpassed by all the metropolitan areas.

Of special concern in recent years has been the so-called high technology sectors. Based on a limited definition of high technology employment, Tucson far outpaced the other urban areas with an average annual increase of 86 percent. High Tech jobs in Tucson increased from 1,156 in 1977 to 11,623 in 1984. Double-digit annual increases also occurred in the other communities with the exception of Las Vegas and Tulsa. Austin gained the greatest number of high tech manufacturing jobs in this period (10,297).

The next two sections of the article briefly address the issues of which factors do not seem important in explaining the discrepancy in growth as well as those which seem important.

Factors That Do Not Seem to Impact Regional Growth

1) The impact of taxes does not appear to be significant. For example, "high" property tax communities such as Tucson and Austin have also experienced phenomenal growth in recent years. The impact of taxes might be lessened by the availability of numerous tax incentives and inducements in all these metropolitan areas. It might be that the tax costs are insignificant relative to other costs, or the benefits of high taxes (such as the provision of public services) are of much greater concern to business than taxes.

2) Energy costs do not seem as important as they once were in the effort to attract industry. Grant Thorton's recent ranking of the business climate of the states, *General Manufacturing Climates of the Forty-Eight Contiguous States*, noted that energy cost concerns had declined to third in importance among the factors deemed most important to business climate. Also of note in this regard is that the regional disparity in natural gas and electricity prices has dropped considerably in the last few years.

3) As for cost of living differences, the most critical factor is housing costs. For these communities at least, housing costs do not pose the same constraint to development as is the case in the Silicon Valley (Ca.) and the Route 128 area in Boston.

4) The relationship between an area's quality of life and economic growth is not confirmed. As an example, Austin and Colorado Springs ranked quite low in the recent *Places Rated* quality of life ranking yet these cities have experienced very strong growth in recent years. The problem may be that quality of life is an extremely difficult measure to put in quantitative terms or it has little to do with the business climate of a community.

Factors that Seem to Impact Regional Growth

1) The employment mix of a community has an important influence on economic growth. For example, areas with a preponderance of defense-related industry have experienced a surge of growth in recent years. Colorado Springs and Tucson, the chief beneficiaries of defense spending, enjoyed especially strong employment growth in the 1977-84 period. On the other hand, the least defense dollars have gone to Tulsa. Interestingly enough, Tulsa was the only community to experience an actual decline in high technology manufacturing employment in the 1977-84 period. Tulsa has also suffered from the "bust" in the oil-boom.

2) In general, these western metropolitan areas have a highly educated population. At the same time these communities have experienced strong growth in recent years. All but two of the communities have a higher proportion of adult residents with high school degrees than the U.S. average. With the exception of Las Vegas, all these communities are in states

(Continued on bottom of page 7)

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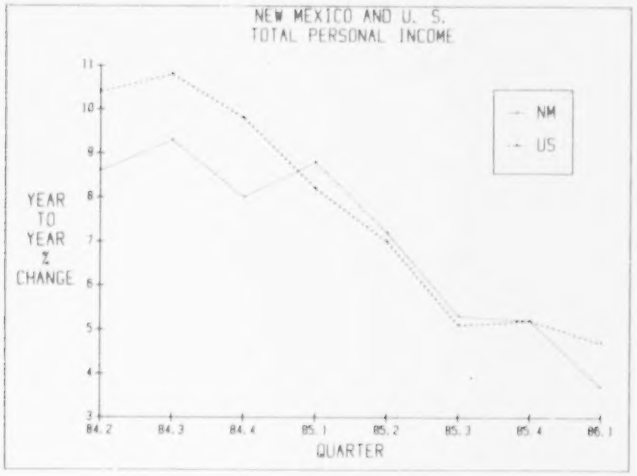
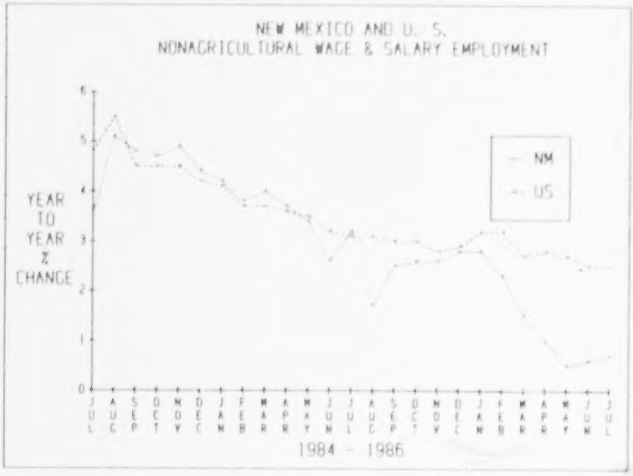
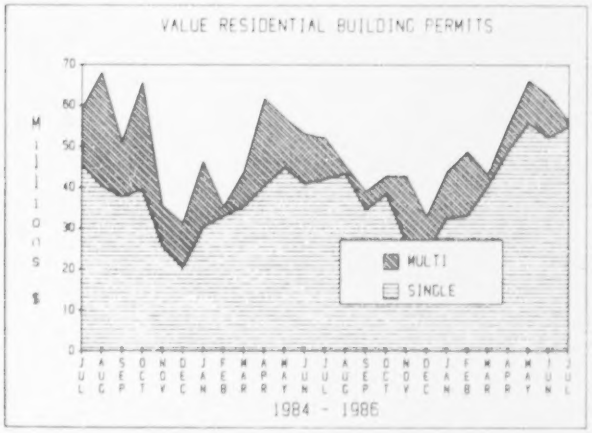
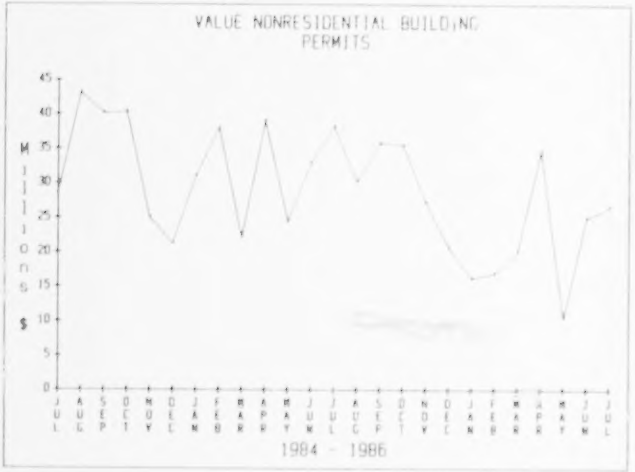
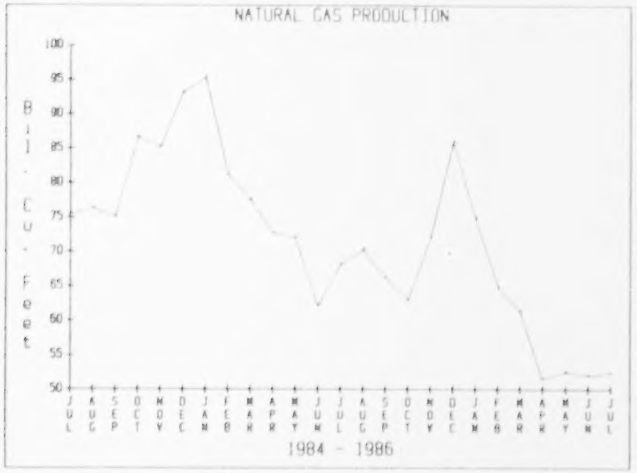
ECONOMIC TRENDS IN NEW MEXICO

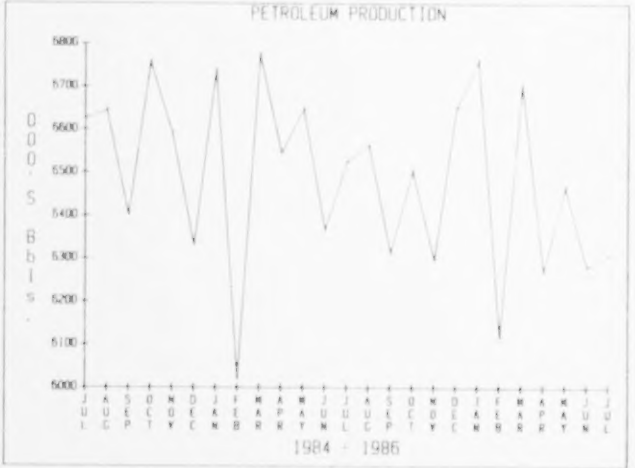












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jul 86	328.0	1.6	327.9
Food and beverages	Jul 86	312.2	3.5	309.5
Housing	Jul 86	361.5	2.8	361.2
Apparel and upkeep	Jul 86	203.2	0.2	204.5
Transportation	Jul 86	304.7	-5.3	308.6
Medical care	Jul 86	434.8	7.6	432.0
Entertainment	Jul 86	274.4	3.3	273.9
Other goods and services	Jul 86	344.9	6.1	342.6
Revised series, wage earners and clerical workers (1967=100)				
All items	Jul 86	322.9	1.2	323.0
Gross national product* ($Bil. constant)	II 86	3661.5	2.7	3655.9
Prime interest rate** (% per annum)	Jul 86	8.0	-15.7	8.5
Mortgage interest rate*** (% per annum)	Jul 86	10.3	-8.9	10.1
3 month treasury bill# (% per annum)	Jul 86	5.8	-17.1	6.2
Industrial production## (1977=100)	Jul 86	124.1	0.0	124.2
Manufacturers new orders## ($Bil.)	Jun 86	191.8	-3.2	192.1

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jul 86	622.2	6.0	619.5	111,852	2.8	110,869
Unemployment rate (%)	Jul 86	9.5	1.3	9.7	7.0	-5.6	7.3
Nonagricultural employment (000)	Jul 86	520.2	0.8	524.3	100,144	2.7	100,275
Personal income### ($Mil.)	I 86	35,919	3.7	35,760	3,309,609	6.7	3,268,063
Housing units permitted							
Single	Jul 86	798	19.6	768	109,000	11.1	110,284
Multi	Jul 86	51	-90.6	654	59,696	-8.1	57,158

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Jul 86	682.4	6.4	685.9	3.1
Total employment* (000)	Jul 86	622.2	6.0	619.5	2.6
Unemployment* (000)	Jul 86	65.2	10.2	66.4	11.7
Unemployment rate (%)	Jul 86	9.5	3.5	9.7	8.6
Weekly new unemployment insurance claims	Jul 86	1670.0	26.8	1851.0	13.9
Nonagricultural wage/salary employment**(000)	Jul 86	520.3	0.8	526.6	1.8
New business incorporations	Jun 86	176.0	-22.8	152.0	-10.8
Personal income*** ($ mil.)	1 86	15919.0	3.7	15762.0	5.4
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	May 86	61.2	16.6	65.1	-1.8
Crops ($ mil.)	May 86	11.9	-21.4	16.7	7.5
Total ($ mil.)	May 86	73.1	10.9	59.4	1.2
3. MINING					
Employment** (000)	Jul 86	29.0	-26.1	35.1	-16.0
Average hourly earnings ($)	Jul 86	11.84	+0.6	11.21	1.9
Petroleum production (000 bbls.)	Jul 86	6307.2	-1.3	6219.6	-1.4
Natural gas production (bil. cu. ft.)	Jul 86	52.4	-21.0	59.0	-18.8
Coal production (000 short tons)	Jul 86	1107.0	+11.7	1005.0	-20.1
Oil well completions##	Jul 86	90.0	+60.0	69.0	-33.1
Gas well completions##	Jul 86	17.0	+69.9	18.0	-23.0
Total footage drilled## (000)	Jul 86	196.2	+69.0	206.1	-5.9
Oil sales ($ mil.)	May 86	78.9	-56.1	76.9	-39.6
Gas sales ($ mil.)	May 86	89.4	-51.3	92.1	-24.7
4. CONSTRUCTION					
Employment** (000)	Jul 86	38.6	-0.5	38.1	-1.4
Average hourly earnings ($)	Jul 86	10.41	0.0	10.75	4.9
Residential units permitted	Jul 86	847.0	-21.6	1020.0	-15.6
Residential building permits ($ mil.)	Jul 86	56.9	8.1	62.6	+1.6
Nonresidential building permits ($ mil.)	Jul 86	26.6	-30.3	25.0	+23.7
Residential construction contracts ($ mil.)	Jul 86	66.1	-31.6	74.1	-10.0
Nonresidential construction contracts ($ mil.)	Jul 86	36.9	-49.1	68.2	-22.1
Nonbuilding construction contracts ($ mil.)	Jul 86	21.0	-21.0	28.9	7.3
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jul 86	27.1	+6.1	27.0	-3.5
Average hourly earnings## ($)	Jul 86	10.88	+1.0	11.39	4.7
6. MANUFACTURING					
Employment** (000)	Jul 86	32.5	+0.2	32.3	0.9
Average hourly earnings ($)	Jul 86	8.98	3.8	8.85	3.7
Electric & electronic equipment employment** (000)	Jul 86	6.7	1.6	6.6	-1.9
Transportation equipment employment** (000)	Jul 86	9.1	-2.3	9.1	-0.9
Food & kindred products employment** (000)	Jul 86	4.8	7.4	4.3	4.9
Textile & apparel employment** (000)	Jul 86	2.3	4.6	2.4	0.0
Lumber & wood products employment** (000)	Jul 86	2.8	-7.7	2.7	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Jul 86	23.0	+0.8	23.1	0.9
Retail employment** (000)	Jul 86	105.8	5.9	105.8	6.6
Average hourly earnings ($)	Jul 86	6.97	+1.0	6.94	0.0
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jul 86	26.4	1.6	26.5	2.3
Bank average hourly earnings ($)	Jul 86	5.69	1.5	5.78	3.7
Bank total assets ($ mil.)	1 86	9801.8	5.3	9125.2	6.2
Bank total deposits ($mil.)	1 86	8128.9	6.5	8051.9	6.9
Bank gross loans ($ mil.)	1 86	5565.8	1.1	5552.1	2.2
S & L total assets ($ mil.)	Jun 86	5302.7	36.1	5432.2	35.1
S & L total deposits ($ mil.)	Jun 86	4302.5	11.8	4277.3	15.8
S & L new mortgage loans closed&&& ($ mil.)	Jun 86	125.1	+16.0	185.0	6.4
9. SERVICES AND TOURISM					
Total service employment** (000)	Jul 86	119.8	2.7	118.8	4.9
Lodging employment** (000)	Jul 86	14.2	11.0	12.9	11.1
Eating & drinking places employment** (000)	Jul 86	37.8	5.9	37.9	5.0
Visits to state parks (000)	Jun 86	939.8	17.8	999.0	13.1
Visits to national parks/monuments (000)	Jul 86	335.5	8.2	353.6	14.0
Passenger traffic at Albuquerque airport## (000)	Jul 86	395.5	10.8	368.5	8.4
Lodgers tax receipts ($ 000)	1 86	1711.5	N	1620.9	N
Lodging occupancy rates (%)	Jul 86	69.1	+3.6	62.4	+0.7
10. GOVERNMENT					
Total government employment** (000)	Jul 86	147.2	2.0	142.5	1.1
Federal employment** (000)	Jul 86	29.9	+1.3	29.9	+2.1
State employment** (000)	Jul 86	83.6	3.6	84.8	1.6
Local employment** (000)	Jul 86	51.9	2.7	52.8	0.8
Total general fund revenues### ($ mil.)	Jun 86	182.1	10.9	134.6	7.7

Note: Selected data items subject to revision.
N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, recomp and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously current item "total loans closed" plus a relatively small different additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1985 to June 1986 data versus the average of July 1984 to June 1985 data.
Communications and airlines only.
Passenger traffic includes enplanements and deplanements.
This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
Includes recurring and nonrecurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
I. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Orr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* MAY-JUL	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* FEB-APR
Alamogordo	$ 13,521	-2.1	$ 12,625
Albuquerque	216,451	0.2	199,123
Artesia	4,666	-26.2	5,035
Carlsbad	12,940	-7.8	11,662
Clovis	16,627	1.4	14,609
Deming	6,660	0.1	6,696
Espanola	7,213	-9.1	6,365
Farmington	27,586	-5.7	25,132
Gallup	20,874	2.6	19,930
Hobbs	16,257	-28.0	17,099
Las Cruces	31,535	-3.4	30,523
Las Vegas	5,811	-0.4	5,379
Los Alamos	6,282	-0.4	5,870
Lovington	3,500	-41.7	3,886
Portales	6,026	-10.2	4,518
Roswell	18,399	-3.6	18,087
Ruidoso	5,551	-8.7	4,819
Santa Fe	41,341	6.5	37,552
Silver City	6,818	-4.0	7,105
Taos	6,402	-1.1	5,943
State total	620,368	-0.4	572,018

\# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)r			
	JULY 1986	JULY 1985	CUMULATIVE TOTAL THROUGH JULY 1986	CUMULATIVE TOTAL THROUGH JULY 1985	JULY 1986	JULY 1985	CUMULATIVE TOTAL THROUGH JULY 1986	CUMULATIVE TOTAL THROUGH JULY 1985
RESIDENTIAL**								
Alamogordo	25	18	178	111	$ 1,112	$ 922	$ 8,435	$ 5,636
Albuquerque	765	682	1,825	1,586	41,763	38,286	357,068	360,521
Carlsbad	12	7	47	35	631	627	2,419	2,218
Clovis	8	10	98	88	581	651	5,662	5,089
Farmington	6	9	56	83	317	735	2,584	3,025
Hobbs	5	1	31	29	216	50	1,952	1,645
Las Cruces	55	66	321	307	2,885	2,543	16,709	17,515
Los Alamos	5	4	50	69	680	505	5,196	7,382
Rio Rancho***	96	102	795	870	4,319	4,411	33,741	98,899
Roswell	9	7	51	33	511	365	2,943	1,937
Ruidoso	2	14	135	93	130	1,259	2,208	2,953
Santa Fe	56	93	641	174	2,711	8,131	38,685	12,918
NONRESIDENTIAL*								
Alamogordo	10	11	56	81	961	111	941	1,217
Albuquerque	74	79	10	266	6,416	8,240	43,707	86,210
Carlsbad	15	46	68	761	838	5,351	1,171	8,592
Clovis	2	11	23	47	85	171	1,766	4,269
Farmington	3	4	11	20	225	111	2,625	1,126
Hobbs	1	1	12	6	11	10	1,662	211
Las Cruces	18	10	128	155	2,364	1,588	9,409	8,696
Los Alamos	10	7	98	69	102	61	3,806	317
Rio Rancho***	4	3	22	11	1,815	115	7,121	6,359
Roswell	11	14	65	129	11	272	1,561	889
Ruidoso	0	8	9	54	0	4,025	1,922	5,770
Santa Fe	21	21	58	91	2,276	1,758	8,615	12,207

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1986.
r 1985 data is revised.
* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.
** Residential data includes both single and multi family units.
*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED EMPLOYMENT, UNEMPLOYMENT AND UNEMPLOYMENT RATES
1986

	NEW MEXICO			ALBUQUERQUE MSA**			LAS CRUCES MSA***			SANTA FE MSA***		
	JUNE '86	% CHANGE YEAR AGO	% CHANGE JUNE '85	JUNE '86	% CHANGE YEAR AGO	% CHANGE JUNE '85	JUNE '86	% CHANGE YEAR AGO	% CHANGE JUNE '85	JUNE '86	% CHANGE YEAR AGO	% CHANGE JUNE '85
TOTAL CIVILIAN LABOR FORCE	681.8	0.1	0.7	298.3	0.6	0.9	59.7	0.3	1.1	49.1	1.4	0.2
EMPLOYED	643.2	0.0	0.3	287.2	0.1	0.2	55.8	-1.5	-1.3	46.9	1.1	0.2
UNEMPLOYMENT	38.6	1.1	4.4	11.1	4.1	7.8	3.9	4.9	6.5	2.2	12.8	1.5
UNEMPLOYMENT RATE (%)	5.7	0.1	0.2	3.7	0.2	0.4	6.5	0.5	0.7	4.5	0.6	0.4
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	560.2	1.8	2.0	253.3	1.3	2.0	47.8	0.4	0.6	43.5	3.2	0.8
MINING	16.2	-20.6	0.1	0.3	-10.0	0.3	N	N	N	0.2	-60.0	0.1
CONTRACT CONSTRUCTION	28.6	0.5	0.5	14.9	-0.1	1.8	2.1	15.9	5.2	1.5	21.8	3.6
MANUFACTURING	37.3	4.2	0.1	19.4	0.5	1.9	4.1	14.3	1.2	1.8	10.0	1.9
DURABLE GOODS	24.9	10.8	0.6	13.8	2.2	1.9	1.8	-2.7	1.9	1.0	0.0	0.9
NONDURABLE GOODS	12.3	0.8	11.6	5.5	-2.7	5.6	2.3	44.6	1.8	0.8	10.0	0.7
TRANSPORTATION & PUBLIC UTILITIES	36.1	0.0	2.0	17.7	0.0	1.8	1.3	0.0	1.1	1.0	0.0	0.1
TRADE	128.9	0.1	0.8	58.2	0.2	0.4	8.2	1.9	0.9	10.1	0.1	10.1
WHOLESALE	23.4	0.8	0.2	9.1	0.1	0.1	1.8	-11.5	0.8	0.7	0.0	0.1
RETAIL	105.4	0.0	0.9	49.1	0.3	0.4	6.4	3.9	0.9	9.4	0.1	9.9
FINANCE, INSURANCE, & REAL ESTATE	32.9	3.0	0.3	13.1	0.5	1.1	1.0	0.1	1.1	1.1	0.0	0.0
SERVICES	133.8	1.5	0.8	53.3	3.9	3.9	7.5	3.8	3.3	11.6	-0.1	12.2
GOVERNMENT	180.2	2.8	0.2	96.2	2.5	2.1	21.6	14.0	10.0	12.1	9.1	20.9
FEDERAL	28.9	0.1	0.0	15.8	0.8	0.9	8.1	0.0	0.3	1.1	-0.8	1.5
STATE	70.9	1.8	0.2	21.6	1.8	1.6	2.5	0.3	0.7	1.7	1.7	15.5
LOCAL	81.0	3.1	0.1	58.8	1.8	0.6	10.9	20.1	1.8	11.8	11.8	3.9

N = Not available, see page 10 for explanation
P = Preliminary
R = Revised

* = Excluding Los Alamos
** = Bernalillo, Sandoval, Valencia counties
*** = Santa Fe and Los Alamos counties
\# = Excludes Ciudad Juarez

SOURCE: New Mexico Department of Labor, Economic Research and Analysis Division

Albuquerque . . .

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which provide more per capita support for all education than the U.S. average. Four of the states in which these communities are located—Oklahoma, New Mexico, Texas and California—are among the nation's six lowest in tuition charges, thus providing cheap access to public universities. Austin has been a clear beneficiary of the emphasis on quality higher education institutions. The Microelectronics and Computer Technology Corporation decided to locate in Austin in part due to the commitment of the University of Texas to beef up its engineering and computer science department. The link can also be seen in Salt Lake City where the University of Utah has been instrumental in nurturing the burgeoning biomedical industry.

3) Labor factors such as wage rates, unionization and the availability of skilled labor are of the utmost importance to industry. Wages seem especially important for high technology companies. Strong growth in El Paso's high technology employment might be explained by the low wage costs in this area. The low wage states—New Mexico, Utah, Texas and Arizona—all did well in the 1977-84 period. Higher wage communities such as Las Vegas and Tulsa were less successful in attracting high technology companies.

The importance of right-to-work legislation and unionization is difficult to ascertain. For example, Colorado Springs is not in a right-to-work state yet has been especially successful in attracting high technology, defense-related companies. On the other hand, Tucson and Austin are in right-to-work states and have also shown strong growth in recent years. The issue in this case may not be so much right-to-work legislation but the actual strength of unions.

4) An often mentioned criterion in industrial location, especially for companies concerned about transportation costs, is the notion of market access. The last column of Table 1 reports a measure of market access, total metropolitan population within 125 miles of each of these urban areas. Sacramento's proximity to the San Francisco Bay Area gives this metro area a clear advantage over any of the other comparison communities. The metropolitan population within 125 miles of Sacramento is over 7.6 million. Colorado Springs, with the smallest actual metropolitan population, is greatly "enlarged" by its proximity to the Denver-Boulder area. Albuquerque, Las Vegas and El Paso have the smallest markets to serve. The data for El Paso is somewhat distorted by the omission of Ciudad Juarez's population. Las Vegas has a distinct advantage in that it is only a little over 200 miles from the Southern California metropolitan area. Albuquerque is the most isolated metropolitan area. The nearest metropolitan area with over one million people is Denver, over 400 miles away. It does seem that the large metro areas by this definition—Tucson, Colorado

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Albuquerque . . .

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Springs, Austin and Sacramento, have all experienced healthy growth in the 1977-84 period. They have benefited from spillovers from a larger metropolitan area as well as the access to a large population base.

This article is excerpted from *Business Climate: A Comparison of Selected Western Metropolitan Areas* which is available from the Data Bank, (505) 277-6626.

David Boldt
Economist

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1. Population and Employment Data For Selected Western Metropolitan Areas

Metropolitan Area	Population (000)	Ave.Ann.Population Growth Rate		Employment Growth, 1977-84 (Ave. Ann. % Ch.)			Total 1984 Metro Population Within 125 Miles of Area
	1984	1980-84	1970-80	Total	Manufact.	High Tech	(000)
Albuquerque	449.4	1.7	3.6	4.1	3.0	16.1	549.9
Austin	645.4	5.1	4.9	8.6	11.2	14.3	2433.6
Colorado Sps.	349.1	3.2	3.3	6.2	18.4	14.6	2397.1
El Paso	526.5	2.4	1.4	2.6	3.8	43.3	638.7
Las Vegas	536.5	4.0	7.0	5.9	4.8	8.8	536.5
Sacramento	1219.6	2.7	2.6	4.7	3.7	18.9	7660.7
Salt Lake	1025.3	3.2	3.1	3.7	4.6	10.6	1265.9
San Antonio	1188.5	2.7	2.1	4.6	3.3	10.1	1908.4
Tucson	594.8	3.0	5.1	5.6	16.0	86.0	2309.6
Tulsa	725.6	2.6	2.6	3.7	0.0	-1.1	1923.7

Source: U.S. Bureau of Census (Population). Population growth data is based on the SMSA definition for 1970-80 and the MSA definition for 1980-84. The 1984 population estimates are preliminary. U.S. Bureau of Economic Analysis and U.S. Bureau of Census, County Business Patterns (Employment). High Tech sectors are defined to include SIC 357, SIC 36 and SIC 38. Sacramento high tech employment growth is based on 1977-83 data. U.S. Bureau of Census and Standard Highway Mileage Guide, Rand McNally (Market Access).

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